

MAINSTREET
EQUITY CORP.

NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR

RELATING TO THE

ANNUAL AND SPECIAL GENERAL MEETING OF COMMON SHAREHOLDERS

OF

MAINSTREET EQUITY CORP.

TO BE HELD ON

FRIDAY, MARCH 29TH, 2019

FEBRUARY 21, 2019

MAINSTREET EQUITY CORP.

**NOTICE OF AN ANNUAL AND SPECIAL GENERAL MEETING OF COMMON
SHAREHOLDERS OF MAINSTREET EQUITY CORP.**

Notice is hereby given that the annual and special general meeting of holders of common shares of Mainstreet Equity Corp. (the “**Corporation**”) will be held at 1413 - 2nd Street S.W., Calgary, Alberta, T2R 0W7, at 1:30 p.m. (Calgary time), on Friday, March 29th, 2019 for the following purposes.

1. To receive the consolidated audited financial statements of the Corporation for the financial year ended September 30, 2018 and the report of the auditors thereon.
2. To fix the board of directors of the Corporation at six (6) members.
3. To elect the board of directors for the ensuing year.
4. To appoint PricewaterhouseCoopers (“**PWC**”), Chartered Accountants, as the auditors of the Corporation for the ensuing year and to authorize the board of directors to fix their remuneration.
5. To consider, and if thought appropriate, to approve and adopt, with or without modification, an ordinary resolution to renew and amend the Shareholder Rights Plan of the Corporation.
6. To transact such other business as may be properly brought before the meeting.

Shareholders who are unable to attend the meeting in person are requested to date and execute the enclosed form of instrument of proxy and return it in the envelope provided for that purpose.

Dated at the City of Calgary, in the Province of Alberta, this 21st day of February, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

“Navjeet (Bob) S. Dhillon”

Navjeet (Bob) Dhillon, President and Chief Executive Officer

IMPORTANT

It is desirable that as many common shares of the Corporation as possible be represented at the meeting. If you do not expect to attend and would like your common shares represented, please complete the enclosed instrument of proxy and return the same as soon as possible in the envelope provided for that purpose. All instruments of proxy, to be valid, must be deposited at the office of the Registrar and Transfer Agent of the Corporation, Computershare Trust Company of Canada, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the meeting or any adjournment thereof. Late instruments of proxy may be accepted or rejected by the Chairman of the meeting in his discretion and the Chairman of the meeting is under no obligation to accept or reject any particular late instruments of proxy.

If you are a non-registered shareholder of the Corporation and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.

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MAINSTREET EQUITY CORP.

ANNUAL AND SPECIAL GENERAL MEETING OF SHAREHOLDERS

MANAGEMENT INFORMATION CIRCULAR

PERSONS MAKING THE SOLICITATION

This management information circular (“**Circular**”) is furnished in connection with the solicitation of proxies by the management and board of directors (“**Board**”) of Mainstreet Equity Corp., (the “**Corporation**” or “**Mainstreet**”), for use at the annual and special general meeting of common shareholders of the Corporation (the “**Meeting**”), to be held at 1413 - 2nd Street S.W., Calgary, Alberta, T2R 0W7, on Friday, March 29th, 2019 at the hour of 1:30 p.m. (Calgary time) or at any adjournment thereof for the purposes set forth in the accompanying notice of meeting (the “**Notice**”).

The costs incurred in the preparation and mailing of both the instrument of proxy and this Circular will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication by directors, officers and employees of the Corporation who will not be directly compensated therefore.

In accordance with National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer*, (“NI 54-101”) arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the common shares in the capital of the Corporation (the “Common Shares”) held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

The Corporation is sending proxy-related materials directly to non-objecting Beneficial Shareholders and the Corporation will pay for intermediaries to deliver proxy-related materials to the objecting Beneficial Shareholders of the Corporation, all in accordance with NI 54-101.

The record date to determine the registered shareholders entitled to receive Notice of the Meeting is February 21, 2019 (the “Record Date”). All information set forth in this Circular is dated effective as of the Record Date unless otherwise indicated.

APPOINTMENT, VOTING AND REVOCATION OF PROXIES

Appointment

The persons named (the “**Management Designees**”) in the accompanying instrument of proxy have been selected by the Board and have indicated their willingness to represent any shareholder who appoints them as their proxy at the Meeting or any adjournment thereof. Any shareholder has the right to appoint a person (who need not be a shareholder) other than the Management Designees to attend and to vote and act for and on behalf of such person at the Meeting. In order to do so the shareholder may insert the name of such person in the blank space provided in the instrument of proxy, or may use another appropriate form of instrument of proxy. All proxies must be deposited with the Corporation’s Registrar and Transfer Agent, Computershare Trust Company of Canada, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or any adjournment thereof. The Chairman of the Meeting may refuse to recognize any instrument of proxy received after such time.

Voting

Common Shares represented by any properly executed instrument of proxy in the accompanying form will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions given by the shareholder and, if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **In the absence of such direction, such Common Shares will be voted in favour of the matters set out herein.**

The accompanying form of instrument of proxy confers discretionary authority on the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the Meeting. As of the date hereof, management of the Corporation is not aware of any such amendments, variations or other matters that may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Corporation.

Revocation

In addition to revocation in any other manner permitted by law, a shareholder may revoke an instrument of proxy by an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing and deposited either at the registered office of the Corporation, 1413 - 2nd Street S.W., Calgary, Alberta, T2R 0W7, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Beneficial Holders

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold their Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that only instruments of proxy deposited by shareholders whose names appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by its broker, those Common Shares will, in all likelihood, not be registered in the shareholder's name. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depositary Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co., the registration name for The Depositary Trust Company, which acts as nominee for many brokerage firms located in the United States. Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Services, Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxy holder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and directly vote their Common Shares as proxy holder for the registered shareholder, should enter their own names in the blank space on the form of instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Circular and the accompanying instrument of proxy and Notice of Meeting are to registered shareholders of Common Shares unless specifically stated otherwise.

Registered Shareholders

Registered holders of Common Shares as shown on the shareholders' list prepared as of the Record Date will be entitled to vote such Common Shares at the Meeting on the basis of one (1) vote for each Common Share held, except to the extent that the person has transferred the ownership of any of his Common Shares after the Record Date, and the transferee of those shares produces properly endorsed share certificates, or otherwise establishes that he owns the Common Shares, and demands, not later than (10) days before the Meeting, or shorter period before the Meeting which the by-laws of the Corporation may provide, that his name be included in the list before the Meeting, in which case the transferee is entitled to vote his Common Shares at the Meeting.

As of the Record Date, 8,832,305 of the Corporation's unlimited authorized voting Common Shares were issued and outstanding. The Corporation is also authorized to issue an unlimited number of preferred shares issuable in series, none of which are issued.

Pursuant to By-Law No. 1 of the Corporation, a quorum for the transaction of business at the Meeting shall be two (2) or more persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy for an absent shareholder so entitled and together holding or representing in person or by proxy not less than five percent (5%) of the outstanding shares of the Corporation entitled to vote at the Meeting. In accordance with the By-law No.1 of the Corporation, if a quorum is present at the beginning of the Meeting, the shareholders present may proceed with the business of the Meeting notwithstanding that a quorum is not present throughout the Meeting. If a quorum is not present at the beginning of the Meeting, the shareholders present or represented by proxy may adjourn the Meeting to a fixed time and place but may not transact any other business.

The following table sets forth information as of the Record Date with respect to each person who, to the knowledge of the Board and Executive Officers (as defined herein) of the Corporation, beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares.

Name and Municipality of Residence	Designation	Nature of Ownership	Number of Common Shares as at Record Date	Percentage of Class as at Record Date
Navjeet (Bob) S. Dhillon Calgary, Alberta	Common Shares	Direct and Indirect	3,815,700	43.2%

STATEMENT OF EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Overview and Objectives

The Corporation has an Executive Compensation Committee that is primarily responsible for evaluating and making recommendations to the Board for the compensation of directors and Executive Officers. During the financial year ended September 30, 2018, Messrs. Anderson and Amantea made up the Executive Compensation Committee. Mr. Anderson is considered independent.

Mr. Anderson has served in senior management positions in a number of financial institutions for over 30 years and is currently the President of Tallinn Capital Partners Corp. He has and continues to be involved in all aspects of management decisions including human resources matters and compensation policies.

Mr. Amantea has been a partner of Warren Tettensor Amantea LLP, Barristers and Solicitors for more than 30 years and has and continues to be actively involved in policy making process in human resource matters and compensation policies of the firm.

The objective of the executive compensation program is to effectively retain and motivate the Executive Officers of the Corporation to achieve the corporate goals and objectives.

“**Executive Officer**” is defined by the legislation to mean (i) the Chair, Vice-Chair or President of the Corporation, (ii) a Vice-President of the Corporation in charge of a principal business unit, division or function including sales, finance or production, or (iii) an individual performing a policy-making function in respect of the Corporation.

Elements of the Compensation Program

The executive compensation program is comprised of three principal elements: base salaries, performance bonuses and an incentive stock option plan designed to provide a combination of cash and equity-based compensation. Other components of the executive compensation program include transaction commissions, perquisites and other personal benefits. Each component of the executive compensation program is addressed separately below.

Base Salaries and Performance Bonuses

Salaries and performance bonuses for Executive Officers are reviewed annually based upon prevailing labour market conditions supported by independently prepared information, corporate and personal performance and on individual levels of responsibility. Salaries and performance bonuses of the Executive Officers are not determined based on any specific benchmarks or a specific formula.

During the last financial year ended September 30, 2018 the Corporation employed four Executive Officers, namely Navjeet (Bob) S. Dhillon acting as the President and Chief Executive Officer, Trina Cui acting as the Chief Financial Officer, Johnny C.S. Lam acting as the Chief Operating Officer and Sheena J. Keslick acting as Vice-President, Operations. The salaries for these Executive Officers are reviewed annually by the Executive Compensation Committee and the Chief Executive Officer based on labour market conditions supported by independently prepared information at the relevant time, financial performance of the Corporation and personal performance and contribution during the last financial year. The Executive Compensation Committee then recommends such compensation to the entire Board for approval.

Stock Option Plan

Prior to its expiry in March of 2017, the Board administered the incentive stock option plan of the Corporation which was implemented in March, 2007 (the “**2007 Option Plan**”). The 2007 Option Plan was designed to provide a long-term incentive that is linked to share value. The Board, upon the recommendation of the Executive Compensation Committee, determined the number of options to be granted to each director, officer or employee of the Corporation. In determining the number of options to be granted to individual directors, officers and employees, the Executive Compensation Committee took into consideration the level of responsibility and experience required for the position, length of service with the Corporation, performance and personal contribution to the Corporation and previous grants to such individual. The 2007 Option Plan was designed to attract and retain qualified and talented directors, officers and employees.

Since the expiration of the 2007 Option Plan, the Corporation does not have a stock option plan in effect, and no further stock options may be issued.

Other Compensation

Other components of compensation include or previously included, transaction commissions, perquisites and personal benefits as determined by the Executive Compensation Committee that are consistent with the overall compensation

strategy as well as a now expired share purchase loan assistance program. There is no formula for how perquisites or personal benefits are utilized in the total compensation package.

The President and Chief Executive Officer also receives commissions for property transactions conducted by the Corporation at commercial rates in his capacity as a licensed real estate broker. Except in limited circumstances, these commissions are not incurred or paid by the Corporation but rather by the other selling party or parties to the transactions. The commissions form part of the President and Chief Executive Officer's annual compensation in that the Executive Compensation Committee takes them into account in determining the net amount of annual performance bonus. Commissions received by the President and Chief Executive Officer in the financial year ended September 30, 2018 amounted to \$ 1,234,800.

The Corporation does not provide any pension or retirement benefits to its Executive Officers.

Benchmarks

Salaries of the Executive Officers are not determined based on specific benchmarks or formula.

Performance Goals

The Corporation's performance bonuses incentive program is measured against a financial target of the Corporation being return on shareholders' equity and upon personal goals set by the Chief Executive Officer.

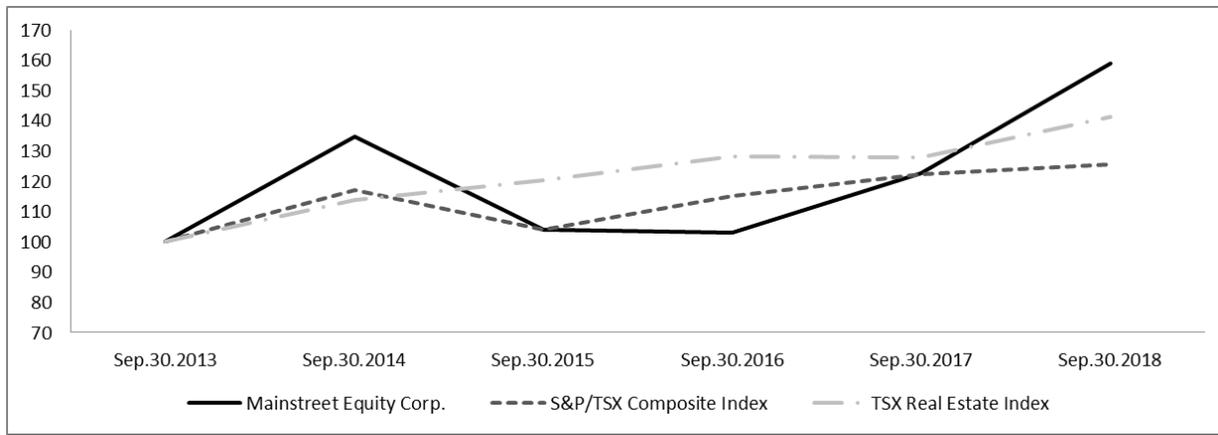
Risk Management

In designing the executive compensation program for the Corporation, the Executive Compensation Committee takes into account the implications of risk. In doing so, the Executive Compensation Committee's role is to ensure that the Corporation's belief in risk management is accurately reflected in its overall approach to compensation. As a result, the compensation principles and practices of the Corporation support the appropriate balance between risk and reward and encourage measured risk taking by Executive Officers. Two large components of compensation are base salary, a form of compensation that is not "at-risk", and incentive awards, which are considered to be "at-risk". This mix is designed to encourage Executive Officers to take measured risks that may have a positive impact of the Corporation's performance while simultaneously providing adequate compensation to Executive Officers to discourage them from taking excessive or inappropriate risks. In addition, the directors oversee the Corporation's debt levels and approve every acquisition over \$25 million. On an annual basis, the Executive Compensation Committee will continue to review the Corporation's compensation practices with a view to mitigating risk taking activities and will endeavour to ensure that the necessary adjustments to maintain the appropriate balance between "at-risk" and "not at-risk" compensation are made.

The Corporation does not prohibit the Named Executive Officers (as defined below) or the directors of the Corporation from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such person. The Named Executive Officers and directors have advised the Corporation that they have not entered into any such arrangements. To the extent that they subsequently enter into an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, their economic exposure to the Corporation, insider reporting laws in Canada provide that they must file a report disclosing the existence and material terms of the agreement, arrangement or understanding within five (5) days of the event.

Performance Graph

The following graph illustrates the Corporation's cumulative shareholder return to the end of the last financial year, as measured by the closing trading price of the Common Shares of the Corporation at the end of each financial period. The starting point is September 30, 2013, assuming an initial investment of \$100 on September 30, 2013 compared to the S&P/TSX Composite Index and the TSX Real Estate Index, assuming in all cases that dividends are reinvested.



	Sep.30.2013	Sep.30.2014	Sep.30.2015	Sep.30.2016	Sep.30.2017	Sep.30.2018
Mainstreet Equity Corp.	100	135	104	103	123	159
S&P/TSX Composite Index	100	117	104	115	122	126
TSX Real Estate Index	100	114	120	128	128	141

There is no direct link between the trends in the Corporation's Common Share price performance to the trend in the Corporation's compensation to Executive Officers; however the Common Share trading price performance is one of the significant performance indicators taken into consideration by the Executive Compensation Committee in determining Executive Officer performance bonuses in any given financial year.

Option-Based Awards

For a description of the process that the Corporation uses to grant option-based awards to Executive Officers including the role of the Executive Compensation Committee and Executive Officers in such process, see the description under the "*Compensation Discussion and Analysis – Elements of Compensation – Stock Option Plan.*" For an additional description of the stock option plans of the Corporation, see "*Securities Authorized for Issuance under Equity Compensation Plan*" and "*Particulars of Matters to be Acted Upon – New Stock Option Plan*".

Summary Compensation

Securities legislation requires the disclosure of compensation received by each "Named Executive Officer" of the Corporation for the three most recently completed financial years. "**Named Executive Officer**" is defined by the legislation to mean (i) each of the Chief Executive Officer and Chief Financial Officer of the Corporation (ii) each of the Corporation's three most highly compensated Executive Officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year and whose total compensation exceeds \$150,000, and (iii) any additional individual for whom disclosure would have been provided under (ii) but for the fact that the individual was not serving as an Executive Officer of the Corporation at the end of the most recently completed financial year end of the Corporation.

The following table sets forth a summary of all compensation for services paid during the financial years ended September 30, 2016, 2017 and 2018 for the Corporation's four (4) Named Executive Officers, namely Navjeet (Bob) S. Dhillon, President and Chief Executive Officer, Trina Cui, Chief Financial Officer, Johnny C. S. Lam, Chief Operating Officer, and Sheena J. Keslick, Vice-President Operations (collectively the "Named Executive Officers").

Summary Compensation Table

Name and principal position ⁽³⁾	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other Compensation (\$) ⁽²⁾	Total Compensation (\$)
					Annual incentive plans ⁽¹⁾	Long-term incentive plans			
Navjeet (Bob) S. Dhillon President and CEO(4)	2018	1,300,000	Nil	Nil	65,207	Nil	Nil	Nil	1,365,207
	2017	1,225,000	Nil	Nil	918,000	Nil	Nil	Nil	2,143,000
	2016	1,200,000	Nil	Nil	926,753	Nil	Nil	Nil	2,126,753
Trina Cui CFO	2018	150,000	Nil	Nil	10,000	Nil	Nil	10,096	170,096
	2017	141,200	Nil	Nil	10,000	Nil	Nil	9,616	160,816
	2016	97,200	Nil	Nil	10,000	Nil	Nil	6,818	114,018
Johnny C.S. Lam, COO	2018	188,000	Nil	Nil	600,000	Nil	Nil	67,948	855,948
	2017	188,000	Nil	Nil	500,000	Nil	Nil	59,443	747,443
	2016	188,000	Nil	Nil	400,000	Nil	Nil	50,803	638,803
Sheena J. Keslick, Vice-President, Operations	2018	156,292	Nil	Nil	10,000	Nil	Nil	10,693	176,985
	2017	112,507	Nil	Nil	10,000	Nil	Nil	4,642	127,149
	2016	140,000	Nil	Nil	15,000	Nil	Nil	8,380	163,380

Notes:

- (1) Includes an annual performance bonus based on pre-determined performance goals and discretionary bonus amounts.
- (2) Other annual compensation relates to vacation pay and taxable benefits on loans under the Loan Assistance Program.
- (3) There were no other Executive Officers at the end of the most recently completed financial year whose total compensation exceeded \$150,000 per year.
- (4) Excludes transaction commissions received by the President and CEO during the year ended September 30, 2018 which commissions amounted to \$1,234,800 (2017 - \$282,000, 2016 - \$173,000). Except in limited circumstances, these commissions are generally incurred or paid by the other selling party or parties to the transaction.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the financial year ended September 30, 2018 to the Named Executive Officers of the Corporation.

Outstanding Share-Based Awards and Option-Based Awards at the end of the Financial Year Ended September 30, 2018

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Navjeet (Bob) S. Dhillon President and CEO	750,000	5.51	March 10, 2019	\$31,867,500	Nil	N/A
Trina Cui CFO	Nil	N/A	N/A	N/A	Nil	N/A
Johnny C.S. Lam COO	22,000	5.51	March 10, 2019	\$934,780	Nil	N/A
Sheena J. Keslick Vice-President, Operations	Nil	N/A	N/A	N/A	Nil	N/A

Note:

- (1) The value of the unexercised in-the-money options is the difference between the market value of the securities underlying the options at the end of the financial year and the exercise price of the options. The closing trading price of the Corporation's Common Shares as traded on The Toronto Stock Exchange as of September 30, 2018 was \$48.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information in respect of the value vested or earned during the Corporation's financial year ended September 30, 2018 of option-based awards, share-based awards and non-equity incentive plan compensation for Named Executive Officers of the Corporation.

**Value Vested or Earned of Incentive Plan Awards during the Financial Year Ended
September 30, 2018**

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Navjeet (Bob) S. Dhillon President and CEO	Nil	Nil	Nil
Trina Cui CFO	Nil	Nil	Nil
Johnny C.S. Lam COO	Nil	Nil	Nil
Sheena J. Keslick Vice-President, Operations	Nil	Nil	Nil

Pension Plan Benefits

Defined Benefit Plans Table

The Corporation does not have a pension or retirement plan.

Deferred Compensation Plans

The Corporation does not have a deferred compensation plan.

Termination and Change of Control Benefits

Pursuant to an employment agreement, dated effective March 1, 2017 (the “**Employment Agreement**”) between the Corporation and Trina Cui, the Corporation has agreed to engage the fulltime services of Ms. Cui as Chief Financial Officer of the Corporation. Ms. Cui is responsible for the financial and accounting related matters associated with the Corporation. Ms. Cui was paid an annual salary of \$150,000. Ms. Cui’s salary is reviewed annually by the Chief Executive Officer and the Executive Compensation Committee and is subject to adjustment based on prevailing labour market conditions and the annual financial results of the Corporation. Ms. Cui is also entitled to an annual performance bonus which is recommended by the Chief Executive Officer and the Executive Compensation Committee to the Board based upon the personal performance of Ms. Cui and the financial results of the Corporation. There is no fixed compensation nor do any outstanding options to purchase shares of the Corporation granted to Ms. Cui vest or become exercisable, in the event of termination of Ms. Cui’s employment.

Pursuant to an employment agreement, dated effective February 18, 1999, as amended on January 2, 2008, October 1, 2014 and March 1, 2017 (the “**Employment Agreement**”) between the Corporation and Johnny C. S. Lam, the Corporation has agreed to engage the fulltime services of Mr. Lam as Chief Operating Officer of the Corporation. Mr. Lam is responsible for overall operational matters associated with the Corporation. Currently, Mr. Lam is paid an annual salary of \$188,000. Mr. Lam’s salary is reviewed annually by the Chief Executive Officer and the Executive Compensation Committee and is subject to adjustment based on prevailing labour market conditions and the annual financial results of the Corporation. Mr. Lam is also entitled to an annual performance bonus which is recommended by the Chief Executive Officer and the Executive Compensation Committee to the Board based upon the personal performance of Mr. Lam and the financial results of the Corporation. There is no fixed compensation nor do any outstanding options to purchase shares of the Corporation granted to Mr. Lam vest or become exercisable, in the event of termination of Mr. Lam’s employment.

Pursuant to an employment agreement, dated effective January 2, 2008, as amended on January 18, 2009 and November 16, 2014 (the “**Employment Agreement**”) between the Corporation and Navjeet (Bob) S. Dhillon, President and Chief Executive Officer, the Corporation agreed to engage the fulltime services of Mr. Dhillon as the President and Chief Executive Officer of the Corporation. Under the terms of the Employment Agreement Mr.

Dhillon was paid an annual base salary of \$1,300,000 as at September 30, 2018, which base salary has been increased to \$1,400,000 subsequently. Mr. Dhillon's salary is reviewed annually by the Executive Compensation Committee and is subject to adjustment based on prevailing labour market conditions and the annual financial results of the Corporation and having regards to market rates of remuneration paid in Canada for similar duties and responsibilities. Mr. Dhillon is also entitled to an annual performance bonus which is recommended by the Executive Compensation Committee to the Board based upon the personal performance of Mr. Dhillon and the financial results of the Corporation.

Unless Mr. Dhillon's employment is terminated for cause, as defined under the employment agreement, the Corporation shall, upon termination, or within two (2) years if he voluntarily resigns after a change of control or if he becomes permanently disabled:

- (a) pay, in lieu of reasonable notice an amount equal to his monthly salary at the highest rate in effect during the twenty (24) months immediately preceding the date of termination multiplied by 36 months;
- (b) cause all outstanding options to purchase shares of the Corporation granted to Mr. Dhillon pursuant to any stock option plan of the Corporation to vest and become exercisable;
- (c) pay reasonable cost of financial, estate and career counseling and related expenses in connection with such termination to a maximum amount of \$10,000.

Assuming that a triggering event occurred on September 30, 2018 for the scenarios outlined in the paragraphs above, Mr. Dhillon would be entitled to receive a maximum of \$3,910,000, such amount being equal to: (i) 36 months' salary at a rate of \$108,333 per month; and (ii) the amount of \$10,000, being the maximum payable for the reasonable cost of financial, estate and career counseling and related expenses. All options held by Mr. Dhillon vested prior to September 30, 2018.

As at September 30, 2018, the Corporation was not a party to any compensatory plan, contract or arrangement where a Named Executive Officer is entitled a payment from the Corporation in the event of resignation, retirement or termination of employment of such persons, change of control of the Corporation or a change in the Named Executive Officer's responsibilities following a change of control, other than as described in the preceding paragraphs.

DIRECTOR COMPENSATION

Director Compensation Table

The following table sets forth information in respect of all amounts of compensation provided to the directors of the Corporation (other than directors who are also Named Executive Officers) during the Corporation's financial year ended September 30, 2018.

Name	Fees earned (\$)	Share based awards (\$)	Option based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Joseph B. Amantea	35,000	Nil	Nil	Nil	Nil	Nil	35,000
Ron Anderson	35,000	Nil	Nil	Nil	Nil	Nil	35,000
Karanveer V Dhillon	35,000	Nil	Nil	Nil	Nil	Nil	35,000
Richard Grimaldi	35,000	Nil	Nil	Nil	Nil	Nil	35,000
John Irwin	35,000	Nil	Nil	Nil	Nil	Nil	35,000

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the financial year ended September 30, 2018 to the directors of the Corporation (other than directors who are also Named Executive Officers) of the Corporation.

Outstanding Share-Based Awards and Option-Based Awards at the end of the Financial Year Ended September 30, 2018

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Karanveer V. Dhillon	25,000	5.51	March 10, 2019	1,062,250	Nil	Nil
Richard Grimaldi	25,000	5.51	March 10, 2019	1,062,250	Nil	Nil

Notes:

- (1) The value of the unexercised in-the-money options is the difference between the market value of the securities underlying the options at the end of the financial year and the exercise price of the options. The closing trading price of the Corporation's Common Shares as traded on The Toronto Stock Exchange as of September 30, 2018 was \$48.
- (2) Messrs. Amantea, Anderson and Irwin do not hold any option-based awards or share-based awards of the Corporation.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information in respect of the value vested or earned during the Corporation's financial year ended September 30, 2018 of option-based awards, share-based awards and non-equity incentive plan compensation for directors of the Corporation.

Value Vested or Earned of Incentive Plan Awards during the Financial Year Ended September 30, 2018

Name	Option based awards Value vested during the year (\$)	Share based awards Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Joseph B. Amantea	Nil	Nil	Nil
Ron Anderson	Nil	Nil	Nil
Karanveer V. Dhillon	Nil	Nil	Nil
Richard Grimaldi	Nil	Nil	Nil
John Irwin	Nil	Nil	Nil

Other Compensation

A law firm, of which a director and officer of the Corporation is a partner, was paid \$295,377 for professional legal fees and disbursements rendered on behalf of the Corporation during the financial year ended September 30, 2018.

Other than as set forth above, the Corporation did not pay any additional compensation to the Executive Officers or directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full time employees) during the last completed financial year.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets forth information as at September 30, 2018 with respect to the Corporation's compensation plan approved by the shareholders of the Corporation under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)
Equity compensation plans approved by security holders	822,000	\$5.51	Nil
Equity compensation plans not approved by shareholders	-	-	-
Total	822,000	\$5.51	Nil

Under the 2007 Option Plan, the Corporation was authorized to issue options exercisable for Common Shares equal to not more than twenty (20%) of the outstanding issue. "Outstanding issue" means the number of Common Shares outstanding on a non-diluted basis, subject to applicable adjustments as provided for in the by-laws and rules of any stock exchange having jurisdiction, and is determined on the basis of the number of Common Shares that are outstanding immediately prior to the share issuance in question. The 2007 Option Plan was considered a rolling plan, since the Common Shares covered by options which have been exercised became available for subsequent grants under the 2007 Option Plan and the number of options available to grant increased as the number of issued and outstanding Common Shares of the Corporation increased.

The 2007 Option Plan expired on March 26, 2017 and accordingly, no further options may be granted under the 2007 Option Plan. However, options that were issued prior to March 26, 2017 under the 2007 Option Plan remain outstanding and shall be governed by the terms of the 2007 Option Plan. As of the date hereof and September 30, 2018, there were 822,000 options outstanding under the 2007 Option Plan (representing approximately 9.3% of the issued and outstanding shares of the Corporation), all of which are held by directors and Executive Officers of the Corporation.

All outstanding options under the 2007 Option Plan have an exercise price of \$5.51 per Common Share and expire on March 10, 2019. Where an option granted under the 2007 Option Plan expires or is deemed to expire during a period of time imposed by the Corporation upon certain designated persons during which those designated persons may not trade in any securities of the Corporation (a "Black-Out Period"), the Option shall not be deemed to expire until the date that is ten (10) business days from the last day of the Black-Out Period.

The 2007 Option Plan did not limit insider participation and the 2007 Option Plan did not provide for a maximum number of Common Shares which may be issued to an individual pursuant to the Plan (expressed as a percentage or otherwise). The price of options granted under the 2007 Option Plan was not permitted to be less than the "market price" of the Common Shares at the time the option was granted. "Market price" means at any time during which the Common Shares are listed on the Toronto Stock Exchange, the closing sale price for board lots of Common Shares on the Toronto Stock Exchange on the business day immediately prior to the day on which the market price is determined. Options issued under the 2007 Option Plan are subject to earlier termination should any of the following events occur to an optionee: (a) the termination of the optionee's employment (if the employment is terminated "without cause" options expire within 12 months, and should employment be terminated "with cause" options expire within 30 days); (b) upon the optionee ceasing to be a director or officer of the Corporation (options expire within 12 months); (c) upon

retirement (options expire within 12 months); (d) permanent disability (options expire within 12 months); or (e) death (options expire within 12 months). The options granted under the 2007 Option Plan are transferable to permitted assigns, such as a trustee, custodian, administrator, holding entity, registered retirement savings plan or registered retirement income fund of the optionee or his or her spouse. The 2007 Option Plan includes a cash settlement alternative whereby optionees and the Corporation may jointly elect that the optionee may receive a cash payment from the Corporation equal to the “money value” of the option upon exercise in lieu of purchasing the Common Shares. The “money value” means the amount by which the weighted average trading price per Common Share on the Toronto Stock Exchange on the pricing date (being the date of exercise provided that notice of the exercise of the option is received by the secretary of the Corporation) exceeds the option price per Common Share multiplied by the number of Common Shares for which the option is exercised.

Subject to any required regulatory approval of any regulatory authority or stock exchange, the Board is permitted to amend the option price, the option period (which in no event shall exceed 10 years from the date of grant) and the termination provisions of options granted pursuant to the 2007 Option Plan, without shareholder approval, provided that if the Board proposes to reduce the option price or extend the option period of options granted to insiders of the Corporation pursuant to the 2007 Option Plan, such amendments will require shareholder approval.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date hereof and during the most recently completed financial year, no current or former director, Executive Officer or employee of the Corporation, no proposed director, nor any associate thereof, is or was indebted to the Corporation or the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

MANAGEMENT CONTRACTS

No management functions of the Corporation or its subsidiaries are, to any substantial degree, performed by a person or corporation other than the directors or Executive Officers of the Corporation.

CORPORATE GOVERNANCE PRACTICES

The Board of the Corporation views effective corporate governance as an essential element of the effective and efficient operation of the Corporation and in the best interest of the Corporation’s shareholders. The Corporation strives to ensure that its corporate governance policies and practices provide for effective stewardship of the Corporation and evaluate its governance practices on an on-going basis as a whole. The Corporation’s principle objective in directing and managing its business and affairs is to enhance shareholder value. The Corporation believes that effective corporate governance improves corporate performance and benefits all of its shareholders.

The Board of Mainstreet has an Audit Committee, a Executive Compensation Committee and an Executive Committee. During the financial year ended September 30, 2018, Messrs. Grimaldi, Irwin and Anderson made up the Audit Committee, Messrs. Amantea and Anderson made up the Executive Compensation Committee and Messrs. Dhillon and Amantea made up the Executive Committee.

Board of Directors

Independent Directors

Mainstreet’s Board facilitates its exercise of independent supervision over management by ensuring that at least one half of the Board is composed of independent directors. The Board is currently has six (6) directors, three (3) of which are considered to be independent (Messrs. Grimaldi, Irwin and Anderson). Joseph B. Amantea is not considered an independent director as he is a partner of a firm which provides legal services to the Corporation. Navjeet (Bob) S. Dhillon is not considered an independent director in that he is part of the management of the Corporation in his position as President and Chief Executive Officer. Karanveer V. Dhillon is not considered an independent director in that he is the sibling of Navjeet (Bob) Dhillon, the President and Chief Executive Officer of the Corporation. None of the remaining three directors, namely Richard Grimaldi, John Irwin and Ron Anderson or their associates have any interest, business or other relationship that could or could reasonably be perceived to materially interfere with each individual’s ability to act in the best interests of the Corporation. These individuals do not receive remuneration from

the Corporation other than annual director's fees and discretionary incentive stock options that may be determined by the Board from time to time.

Although three directors are not independent directors, these directors, like all directors, are required by law at all times to act in good faith and with a view to the best interests of the Corporation and its shareholders. As is the case with independent directors, these directors are sensitive to conflicts of interest and excuse themselves from deliberations and voting in the appropriate circumstances. Their extensive knowledge of the Corporation's business is extremely beneficial to the other directors and the Corporation and their participation as directors is an important element in the overall effectiveness of the Board. Although the Board considers independence from the Corporation as a factor in assessing its own effectiveness as well as the qualifications of potential candidates, the Board's primary objective is to ensure that directors are the most qualified candidates available and are selected on the basis of their overall qualifications and ability to contribute to the effective governance of the Corporation. All of the Corporation's directors make a valuable contribution to the Board, the Corporation and its shareholders.

The Corporation has not appointed an independent chairman or an independent lead director, however, the Board believes that each of the independent directors have significant experience as a director and/or executive officer of a publicly-traded or large corporate entity and that such independent directors do not require guidance of an independent chairman or lead director in exercising his duties as an independent director.

The Board has functioned, and is of the view that it can continue to function, independently of management, as required. In order to provide leadership for the independent directors, the independent members of the board are afforded the opportunity at meetings of the Board and applicable committees of the Board, to meet separately, in camera, in the absence of non-independent directors or management, to discuss any necessary matters in the absence of non-independent directors and management. In addition thereto, to facilitate open and candid discussion among independent directors, members also are encouraged to meet and discuss matters outside the formal board meeting forum. The Board anticipates that such meetings can and will continue to be held in the future, provided, however, during the last fiscal year ended September 30, 2018, no regularly scheduled meetings of the independent directors were held at which non-independent directors and management were not in attendance.

Directorships

The following directors are presently directors of other issuers that are reporting issuers (or the equivalent):

Name of Director	Names of Other Issuers
Richard Grimaldi	Holloway Lodging Corporation

Meetings

The Board approves an annual schedule of Board and Committee meetings. The Board generally meets four (4) times a year and additionally during the year as the need arises.

The following sets forth all meetings of the Board that took place in the financial year ended September 30, 2018 and the Board members in attendance.

Date	Names	Type of Meeting
December 7, 2017	Joseph B. Amantea, Ron Anderson, Karanveer V. Dhillon, Navjeet (Bob) Dhillon, Richard Grimaldi, John Irwin	Board Meeting
February 07, 2018	Joseph B. Amantea, Ron Anderson, Karanveer V. Dhillon, Navjeet (Bob) Dhillon, Richard Grimaldi, John Irwin	Board Meeting
May 03, 2018	Joseph B. Amantea, Ron Anderson, Karanveer V. Dhillon, Navjeet (Bob) Dhillon, Richard Grimaldi, John Irwin	Board Meeting
July 09, 2018	Joseph B. Amantea, Ron Anderson, Karanveer V. Dhillon, Navjeet (Bob) Dhillon, Richard Grimaldi, John Irwin	Board Meeting

Mandate of the Board

The Board has adopted a general mandate to govern the conduct of the Board and each Committee of the Board, full particulars of which as set forth and described in Schedule A attached hereto.

Position Descriptions

Brief position descriptions for the Chairman of the Board and the Chair of each Committee of the Board can be found in the Board of Directors and Committee Mandate attached hereto as Schedule A.

There is no written mandate or position description for the Chief Executive Officer. The Chief Executive Officer's objectives are consistent with the adoption of the Corporation's annual plan and budget. These objectives and any modifications thereto are approved by the Board and the Board assesses the performance of the Chief Executive Officer against these objectives adopted annually. The Board also monitors and assesses senior management based on regular contact with management. The Chief Executive Officer and Chief Financial Officer participate in presentations to the Board at all regularly scheduled meetings.

Orientation and Continuing Education

Given the relatively small and static composition of the Board since its incorporation, the Corporation has not yet developed an official orientation or training program for new directors. New directors will have the opportunity to become familiar with the Corporation by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

The Corporation undertakes ongoing education efforts to update the directors' skills and knowledge of the Corporation and its businesses. Both outsider advisors and executives of the Corporation's corporate office make regular presentations to the Board and its committees regarding business matters and other appropriate subjects. In 2018, the topics of these presentations included capital markets, information system development, corporate finance, taxation, industry mergers and acquisition, business growth strategy, risk management, corporate governance, shareholder relations and economic updates.

Ethical Business Conduct

The Board monitors the ethical conduct of the Corporation and its management and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

The Board has adopted a Governance Code which can be found on SEDAR at www.sedar.com. The Governance Code applies to the Corporation's directors, Executive Officers, management and employees, each of whom is expected to ensure that his or her behavior accords with the letter and the spirit of the Governance Code. Besides establishing guidelines designated to promote integrity and deterring wrongdoing, the Governance Code also includes Whistleblower, public disclosure and insider trading restrictions and blackout periods to endeavor to protect the Corporation's business and regulation. The Governance Code mandates that the Corporation shall investigate complaints and the Governance Code prohibits retaliation by the Corporation, its directors, Executive Officers, management and employees against complainants who raise concerns in good faith and requires the Corporation to maintain the confidentiality of complainants to the greatest extent practicable.

Since the beginning of the Corporation's most recently completed financial year, no material change reports have been filed that pertain to any conduct of a director or Executive Officer that constitutes a departure from the Governance Code.

Nomination of Directors

Mainstreet's Board considers its size each year when it considers the number of directors to recommend to the Corporation's shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain diversity of view and experience. Given the relatively static composition of the Board over the last several years, the Board has not appointed a nominating committee and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy may be reviewed.

Compensation

The Board, upon recommendation of the Executive Compensation Committee is responsible for determining all forms of compensation to be granted to Mainstreet's Chief Executive Officer, and for reviewing the Chief Executive Officer's recommendations respecting compensation of Mainstreet's other Executive Officers, to ensure such arrangements reflect the responsibilities and risks associated with each position. During the financial year ended September 30, 2018, the Executive Compensation Committee consisted of Messrs. Amantea and Anderson. Mr. Anderson is considered independent. Please see "*Statement of Executive Compensation – Compensation Discussion and Analysis*" for additional information regarding how compensation is determined.

Assessments

The Board does not currently have any formal process for assessing the effectiveness of the Board, its committees and contributions of individual directors; however, believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework.

Director Term Limits and Other Mechanisms of Board Renewal

The Corporation has not adopted term limits or other mechanisms to force Board removal. The By-laws of the Corporation provide that all directors in office shall retire at the next annual general meeting of shareholders and if qualified, shall be eligible for re-election. Accordingly, the Board has determined that term limits or mandatory retirement based on age is not necessary. The Board believes that sustained leadership and intimate knowledge of the Corporation is an asset to the operations and future of the Corporation. The Board also believes that an imposition of term limits is inflexible and could possibly result in experienced directors being forced to resign or being barred from standing for re-election solely based on tenure. The Board considers the performance and contribution of individual directors on an ongoing basis.

Policies Regarding the Representation of Women on the Board

The Corporation does not have a written policy or set targets relating to the identification and nomination of women on the Board. The Board may consider the adoption of such a policy in the future if it deems it to be in the best interest of the Corporation. The Board is committed to nominating the best candidates to fulfill director roles and Executive Officer positions taking into account diversity and personal characteristics such as age, gender, race, cultural and educational background to ensure the Board and Executive Officers have the proper skills, expertise and diversity of perspectives.

Currently the Board believes that it is not necessary in the case of the Corporation to have such written policy given the current size of the Board, the relatively static composition of the Board over the last several years and that the nominating function is currently performed by the Board as a whole.

Consideration of the Representation of Women in the Director Identification and Selection Process

The Board is relatively small and static, with no new directors being nominated by the Board since 2011. However, when the Board does identify and nominate new directors, it aims to maintain a composition which provides the best mix of perspectives, experience and expertise to lead the Corporation's long-term strategy and monitor ongoing business operations. When identifying and nominating new members, the Board will do so with a view to its overall diversity, including the level of representation of women on the board, in tandem with other considerations, including a candidate's experience, skills, independence, and the time a proposed nominee is able to devote to the Board.

Consideration Given to the Representation of Women in Executive Officer Appointments

In making new Executive Officer appointments, the Board considers the overall diversity of the Corporation's executive team, including the level of women in executive office positions, in tandem with other considerations, including candidates' experience, skills, independence, and the time a proposed nominee is able to devote to the appointment. Currently two Executive Officers (or 50% of the total number of Executive Officers of the Corporation) are women.

Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

The Corporation has not adopted a target regarding women on the Board or in Executive Officer positions. Selection of Board members and Executive Officers is based on the factors enumerated in the preceding subsections.

Number of Women on the Board and in Executive Officer Positions

The Corporation currently has no women on the Board. Two Executive Officers (or 50% of the total number of Executive Officers of the Corporation) are women. In the broader leadership group consisting of Executive Officers and regional and headquarters managers, six of eighteen (33%) are female, with two of four Executive Officers (50%) and four of fourteen (29%) regional and headquarters managers being female.

COMMITTEES OF THE BOARD OF DIRECTORS

In the financial year ended September 30, 2018, the Board had three standing committees (the "Committees").

Executive Compensation Committee

The Corporation has an Executive Compensation Committee which is responsible for evaluation and making recommendations to the Board for the compensation of directors and Executive Officers. During the financial year ended September 30, 2018, Messrs. Amantea and Anderson made up the Executive Compensation Committee. Mr. Anderson is the Chairman of this Committee and considered independent.

Please see "*Compensation Discussion and Analysis*", for additional information related to responsibilities and duties of the Executive Compensation Committee.

Audit Committee

During the financial year ended September 30, 2018, the Audit Committee of the Corporation consisted of Richard Grimaldi, John Irwin and Ron Anderson, all of whom are considered independent and financially literate as such terms are defined under Multilateral Instrument 52-110 *Audit Committees*. Mr. Irwin is the Chairman of this Committee.

The Audit Committee is specifically mandated to assist the Board by reviewing the effectiveness of financial reporting, management information and internal control systems. The Audit Committee generally meets with the Corporation's external auditors four (4) times per year.

The principal function of the Audit Committee is to review the overall audit plan and the Corporation's system of internal controls, review the results of the external audit, and to resolve any potential dispute with the Corporation's auditors. In performing this function, the Audit Committee monitors audit functions and the preparation of financial statements, communicates directly with the external auditors, has overview responsibility for management reporting on internal controls, and meets with outside auditors independently of management. The Audit Committee also prepares press releases of financial results, reviews all prospectuses and the Corporation's annual information form. The Audit Committee, together with the full board, specifically reviews principal risks of the Corporation.

The Audit Committee also reviews principal risks of the Corporation on an annual basis, considers the Corporation's risk management program and reviews risks in conjunction with the external auditors.

The Corporation's Annual Information Form, dated December 11, 2018 contains a complete description of the Audit Committee together with a copy of the Audit Committee Charter appended thereto as required by Form 52-110F1 of Multilateral Instrument 52-110 - *Audit Committees*.

Executive Committee

The Executive Committee of the Corporation currently consists of Navjeet (Bob) Dhillon and Joseph B. Amantea, neither of whom are independent. The Executive Committee is responsible for approving acquisitions exceeding financial authority of the Chief Executive Officer. The Chief Executive Officer's and the Executive Committee's authority limit is reviewed and set each year by the Board.

Other

Except as set forth above there are no other standing committees of the Board.

While there is no formal communications policy, the Board generally oversees communication with shareholders and other stakeholders by approving the content of press releases and regulatory filings. Furthermore, part of the Chief Executive Officer's mandate is to communicate with and respond to shareholders and the media on an ongoing basis as circumstances require.

The Board has not appointed a committee responsible for developing an approach to corporate governance issues.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, the Corporation is not aware of any material interest, direct or indirect, of any "informed person" of the Corporation, any proposed director of the Corporation or any associate or affiliate of any "informed person" or proposed director in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

For the purposes of the above, "**informed person**" means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

There are potential conflicts of interest to which the directors and officers of the Corporation may be subject in connection with the operations of the Corporation. Some of the directors and officers of the Corporation are engaged and will continue to be engaged in other business opportunities on their own behalf and on behalf of other corporations and situations may arise where such directors and officers will be in competition with the Corporation. Individuals concerned shall be governed in any conflicts or potential conflicts by applicable law and internal policies of the Corporation.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as set forth herein, the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who:

- (i) has acted as a director or Executive Officer of the Corporation since the beginning of the Corporation's last financial year;
- (ii) is a proposed nominee for election as a director of the Corporation; or
- (iii) is an associate or affiliate of any of the persons listed directly above in (i) and (ii),

in any matter to be acted upon at the Meeting other than the election of directors or the appointment of the auditors.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board of the Corporation, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

Financial Statements

The Board has approved the consolidated audited financial statements of the Corporation for the financial year ended September 30, 2018 and the report of the auditors thereon, which accompany this Circular.

Election of Directors

It is the intention of the management designees, if named as proxy, to vote for the election of the following persons to the Board. Management does not contemplate that any of nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favor of management designees will be voted for another nominee in their discretion unless the shareholder has specified in his proxy that his shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Corporation.

The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Corporation presently held by him, his municipality of residence, his principal occupation at the present and during the preceding five years, the period during which he has served as a director, and the number of voting Common Shares of the Corporation that he has advised are beneficially owned, or controlled or directed, directly or indirectly, by him as of the date hereof.

Name and Place of Residence	Position	Director Since	Principal Occupation	Number of Common Shares Beneficially Owned or Controlled
Joseph B. Amantea Calgary, Alberta	Corporate Secretary and Director	March 31, 2000	Partner, Warren Tettensor Amantea LLP, Barristers and Solicitors	20,133 ⁽¹⁾
Navjeet (Bob) S. Dhillon Calgary, Alberta	President, Chief Executive Officer and Director	June 24, 1997	President and Chief Executive Officer of the Corporation	3,815,700 ⁽²⁾
Richard Grimaldi Westport, Connecticut, USA	Director	January 27, 2005	Self-employed Real Estate Developer, former Managing Director of Institutional Accounts for GE Capital - Commercial Real Estate until April 2004.	24,100
Karanveer V. Dhillon San Francisco, California, USA	Director	April 24, 2007	Managing Director, Guggenheim Capital Management (Asia) Private Limited since December, 2008, former Managing Director of Thomas Weisel International Private	171,700

Name and Place of Residence	Position	Director Since	Principal Occupation	Number of Common Shares Beneficially Owned or Controlled
			Limited	
John Irwin, London, Ontario	Director	April 24, 2007	Former Chief Financial Officer and Chief Information Officer and Director of Facilities for the Richard Ivey School of Business	2,000
Ron Anderson Vancouver, British Columbia	Director	April 24, 2011	President, Tallinn Capital Partners Corp.	3,475

Notes:

- (1) 4,115 of the Common Shares are held by the spouse of Mr. Amantea indirectly.
- (2) 3,815,700 of these Common Shares are held by Pan Pacific Mercantile Group Inc., a corporation owned and controlled by Navjeet (Bob) S. Dhillon, President and Chief Executive Officer.

The number of Common Shares of the Corporation beneficially owned, directly or indirectly, by all current directors, Executive Officers and insiders of the Corporation as a group as at the date hereof is set forth below.

Designation of Class	Number of Shares	Percentage of Class
Common Shares	4,043,108	46%

Corporate Cease Trade Orders and Bankruptcies

None of those persons who are proposed directors of the Corporation is, or has been within the past ten years, a director, chief executive officer or chief financial officer of any company, including the Corporation, that while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days, or after such persons ceased to be a director, chief executive officer or chief financial officer of the company, was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days, which resulted from an event that occurred while acting in such capacity.

In addition, none of those persons who are proposed directors of the Corporation is, or has been within the past ten years, a director or executive officer of any company, including the Corporation, that, while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No proposed director of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Personal Bankruptcies

No proposed director of the Corporation, or a personal holding company of any such person, has within the past ten years of the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Appointment of Auditors

Unless such authority is withheld, the management designees, if named as proxy, intend to vote the Common Shares represented by any such proxy for the appointment of PricewaterhouseCoopers, Chartered Accountants, as auditors for the Corporation for the next ensuing year.

PricewaterhouseCoopers, Chartered Accountants, have served as auditors of the Corporation since January 9, 2019. Deloitte LLP, Chartered Accountants, resigned as auditors of the Corporation effective January 9, 2019 at the request of the Corporation. Prior thereto, Deloitte LLP had served as the Corporation's auditors since June 28, 1999.

A "reporting package", as defined in National Instrument 51-102 Continuous Disclosure Obligations, comprised of a Notice of Change of Auditor, a letter from the former auditor and a letter from the successor auditor is attached as Schedule "B" hereto. The Notice of Change of Auditor advises that Deloitte LLP resigned at the Corporation's request, and that PricewaterhouseCoopers, Chartered Accountants, were appointed as the Corporation's auditors effective January 9, 2019. There were no modified opinions expressed in the former auditor's report for the two most recently completed fiscal years or for any period subsequent to the most recently completed period for which an audit report was issued and preceding the date of termination, and there are no reportable events (as defined in National Instrument 51-102) between the Corporation and Deloitte LLP. The Notice of Change of Auditor includes written confirmation that the resignation of Deloitte LLP and the appointment of PricewaterhouseCoopers, Chartered Accountants as auditors of the Corporation was considered and approved by the Corporation's audit committee and by its board of directors.

Approval of Renewal and Amendment of Shareholder Rights Plan

At the Meeting, shareholders will be asked to pass an ordinary resolution approving and ratifying the renewal and amendment of the shareholder rights plan agreement dated as of February 21, 2013, as amended on February 12, 2016 and February 21, 2019, between the Corporation and Computershare Trust Company of Canada (the "**Rights Plan**"). It is proposed that the Rights Plan will be renewed and amended to update the Rights Plan to reflect the amendments discussed below.

On May 9, 2016, certain amendments to the Canadian take-over bid regime (the "**Amendments**") came into effect, which required, among other things, that all non-exempt take-over bids:

- meet a minimum tender requirement where bidders must receive tenders of more than 50% of the outstanding securities that are subject to the bid and held by disinterested shareholders;
-
- remain open for a minimum deposit period of 105 days, unless the target board states in a news release an acceptable shorter deposit period of not less than 35 days, or the target board states in a news release that it has agreed to enter into a specific alternative transaction (such as a plan of arrangement) in which case the 35 day period would apply to all concurrent take-over bids; and
- be extended for an additional 10 days after the minimum tender requirement is met and all other terms and conditions of the bid have been complied with or waived.

At the time of the last amendments to the Rights Plan, it was anticipated that the Amendments would be implemented, however the exact text of the Amendments had not yet been finalized. Accordingly, although the Rights Plan substantially reflects the Amendments, certain revisions are required to update the Rights Plan to match the final form of the Amendments, and in particular the definition of permitted bid is being amended to require that the take-over bid remain open for acceptance for a minimum period of one hundred and five (105) days (or such shorter minimum period as determined in accordance with section 2.28.2 or section 2.28.3 of National Instrument 62-104 – *Take-over*

Bids and Insider Bids (“**NI 62-104**”) for which a Take-over Bid (that is not exempt from any of the requirements of Division 5 (Bid Mechanics) of NI 62-104) must remain open for deposit of securities thereunder), as opposed to the one hundred and twenty (120) days which is currently required.

In addition, the Rights Plan is being amended to:

- (a) update certain cross references and other housekeeping matters;
- (b) expand the definition of “Convertible Securities” to include any securities issued by the Corporation carrying any exercise, conversion, or exchange right pursuant to which the holder thereof may acquire Common Shares or other securities which are convertible into or exercisable or exchangeable for Common Shares (whether such right is exercisable immediately or exercisable after a specified period and whether or not on condition or the happening of any contingency) and make a consequential amendment to the definition of “Beneficial Owner” in respect thereof;
- (c) amend the definition of “Expiration Time” replace the reference to 2019 with 2022;
- (d) amended the definition of “Permitted Lock Up Agreement” to reflect best practices and Institutional Shareholder Services (ISS) recommendations in respect of shareholder rights plans;
- (e) amend the definition of Acting Jointly or In Concert to better align the same with current securities legislation;
- (f) to add Section 2.10(g) to the Rights Plan which Section states that notwithstanding anything in the Rights Plan to the contrary, neither the Corporation nor the Rights Agent (as defined therein) shall have any liability to any holder of a right or any other person as a result of its inability to perform any of its obligations under the Rights Plan by reason of any preliminary or permanent injunction or other order, decree or ruling by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation or executive order promulgated or enacted by any governmental authority, prohibiting or otherwise restraining performance of such obligation;
- (g) to make certain amendments, at the request of the Rights Agent, to Article 4 of the Rights Plan relating to the Rights Agent’s duties and the procedure to change a rights agent.

The Board has determined that the Rights Plan, as amended, is in the best interests of the Corporation and its shareholders and unanimously recommends that the shareholders vote in favour of the renewal and amendment of the Rights Plan. The Rights Plan was not adopted in response to nor is the renewal and amendment of the Rights Plan being adopted in response to any specific proposal or intention to acquire control of the Corporation.

Purpose of the Rights Plan

Consistent with the Amendments, the Rights Plan encourages a potential acquiror to proceed with their bid in accordance with Canadian takeover bid rules, which requires that the bid satisfy certain minimum standards intended to promote fairness, or have the approval of the Board, by:

- protecting against “creeping bids” (the accumulation of more than 20% of the Common Shares through purchases exempt from Canadian take-over bid rules, such as (i) purchases from a small group of shareholders under private agreements at a premium to the market price not available to all shareholders, (ii) acquiring control through the slow accumulation of Common Shares over a stock exchange without paying a control premium, or (iii) through other transactions outside of Canada not subject to Canadian take-over bid rules), and requiring the bid to be made to all shareholders; and
- preventing a potential acquiror from entering into lock-up agreements with existing shareholders prior to launching a take-over bid, except for permitted lock-up agreements as specified in the Rights Plan.

By encouraging bids in accordance with Canadian take-over bid rules, the Board wants to allow all shareholders to benefit from the acquisition of a control position of 20% or more of the Common Shares, and allow the Board to have sufficient time to explore and develop all options for maximizing shareholder value in the event a person tries to acquire a control position in the Corporation. Under the Rights Plan, potential acquirors are prevented from accumulating effective control of the Corporation or a blocking position against other bidders except by way of a Permitted Bid (as defined in the Rights Plan), ensuring equal treatment of all shareholders.

The Rights Plan is not intended to prevent a take-over bid or deter offers for Common Shares. It is designed to encourage any bidder to provide shareholders with equal treatment and full and fair value for their Common Shares. A summary of the Rights Plan is found below.

Board Review of the Rights Plan

In renewing and amending the Rights Plan and recommending that shareholders vote in favour of the renewal and amendment of the Rights Plan, the Board considered matters including experience of other issuers with rights plans in the context of take-over bids, judicial and regulatory consideration of shareholder rights plans, the terms and conditions of rights plans adopted by other Canadian companies, new take-over bid regulations being proposed by Canadian Security Administrators and the commentary of the investment community on rights plans, including the published proxy voting guidelines.

It is not the intention of the Board, in renewing and amending the Rights Plan and proposing that it be approved by shareholders, to secure the continuance in office of the existing members of the Board or management, or to avoid an acquisition of control of the Corporation in a transaction that is fair and in the best interests of shareholders. The Rights Plan will not detract from or lessen the duty of the Board to act honestly and in good faith with a view to the best interests of the Corporation. The Board will continue to have the duty and power to take such actions and make such recommendations to shareholders of the Corporation as are considered appropriate.

Summary of the Rights Plan

The following is a summary of the principal terms of the Rights Plan, as amended, which is qualified in its entirety by reference to the text of the Rights Plan. A copy of the complete Rights Plan, as amended, has been filed with certain of the Canadian Securities Administrators and is available on SEDAR at www.sedar.com. All capitalized terms used in this summary without definition have the meanings attributed to them in the Rights Plan.

Effective Date and Term

The Rights Plan came into effect on its approval by the Board on February 21, 2013 and was amended on February 12, 2016 and February 21, 2019. Pursuant to its terms, the Rights Plan will expire upon termination of the Meeting, unless its continuation is confirmed by the shareholders in accordance with its provisions.

Shareholder Approval

The renewal and amendment of the Rights Plan must be approved by more than fifty (50%) percent of the votes cast at the Meeting by shareholders present or voting by proxy and any applicable minority approval requirements. In addition, the renewal and amendment to the Rights Plan must be reconfirmed by more than fifty (50%) percent of the votes cast at each of the third and sixth annual meetings of the Corporation's shareholders following the Meeting and reconfirmed by any applicable minority approval requirements.

Issue of Rights

Immediately upon the Rights Plan coming into effect, one Right was issued and attached to each Common Share outstanding and will attach to each Common Share subsequently issued.

Rights Exercise Privilege

The Rights will separate from the Common Shares and will be exercisable on the close of business on the tenth trading day (the "**Separation Time**") after the earlier of the date on which a person has acquired twenty (20%) percent or

more of, or a person commences or announces a take-over bid for, the Corporation's outstanding Common Shares, other than by an acquisition pursuant to a Permitted Bid or a Competing Permitted Bid. The acquisition by a person (an "**Acquiring Person**") of twenty (20%) percent or more of the Common Shares is referred to as a "Flip-in Event". When a Flip-in Event occurs each Right (except for Rights beneficially owned by an Acquiring Person or certain transferees of an Acquiring Person, which Rights will be void pursuant to the Rights Plan) becomes a right to purchase from the Corporation, upon exercise thereof in accordance with the terms of the Rights Plan, that number of Common Shares having an aggregate market price on the date of consummation or occurrence of such Flip-in Event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price. The Exercise Price for the Rights provided for in the Rights Plan is \$100. As an example, if at the time of the Flip-in Event the Common Shares have a market price of \$25.00, the holder of each Right would be entitled to receive \$200 (twice the Exercise Price) in market value of the Common Shares (8 Common Shares) for \$100, i.e. at a fifty (50%) percent discount.

The issue of the Rights is not initially dilutive. However, upon a Flip-in Event occurring and the Rights separating from the Common Shares, reported earnings per share may be affected. Holders of Rights not exercising their Rights upon the occurrence of a Flip-in Event may suffer substantial dilution.

Any Rights held by an Acquiring Person will become void upon the occurrence of a Flip-in Event. Any offer other than a Permitted Bid, a competing Permitted Bid or a bid for which the Board has waived the application of the Rights Plan to a particular Flip-in Event (see "**Waiver**" below) will become prohibitively expensive for the Acquiring Person. The Rights Plan is therefore designed to require any person interested in acquiring more than twenty (20%) percent of the Common Shares to do so by way of a Permitted Bid or a Competing Permitted Bid or to make an offer which the Board considers to represent the full and fair value of the Common Shares.

Exemptions for Portfolio Managers, etc.

Portfolio managers (for fully managed accounts), mutual funds and their managers, trust companies (acting in their capacities as trustees and administrators), statutory bodies whose business includes the management of funds, administrators of registered pension plans and crown agents acquiring greater than twenty (20%) percent of the Common Shares are exempted from triggering a Flip-in Event, provided that they are not making, and are not part of a group making, a take-over bid.

Grandfathered Person

A person (a "**Grandfathered Person**") who was the beneficial owner of more than twenty (20%) percent of the outstanding Common Shares on February 21, 2013 is deemed not to be an Acquiring Person until it ceases to own more than twenty (20%) percent of the Common Shares or increases its beneficial ownership by more than five (5%) percent of the outstanding Common Shares on February 21, 2013 except in specified circumstances. To the knowledge of the Executive Officers of the Corporation, the Corporation has one Grandfathered Person, being Navjeet (Bob) N. Dhillon, President and Chief Executive Officer. See "*Voting Shares and Principal Holders Thereof*".

Certificates and Transferability

Prior to the Separation Time, the Rights will be evidenced by a legend imprinted on the Common Share certificates of the Corporation and will not be transferable separately from the Common Shares. Common Share certificates do not need to be exchanged to entitle a shareholder to these Rights. The legend will be on all new certificates issued by the Corporation after the effective date of the Rights Plan. From and after the Separation Time, the Rights will be evidenced by Rights certificates and will be transferable separately from the Common Shares.

Permitted Bid Requirements

The Permitted Bid requirements include, without limitation, the following:

- i. the take-over bid must be made by way of a take-over bid circular;
- ii. the take-over bid must be made to all holders of Common Shares (other than the bidder);

- iii. the take-over bid provides that no Common Shares tendered pursuant to the take-over bid may be taken up prior to the expiry of a one hundred and five (105) day period following the date of the bid (or such shorter minimum period as determined in accordance with section 2.28.2 or section 2.28.3 of NI 62-104 for which a take-over bid (that is not exempt from any of the requirements of Division 5 (Bid Mechanics) of NI 62-104) must remain open for deposit of securities thereunder) and unless at such date more than fifty (50%) percent of the Common Shares held by the Independent Shareholders (i.e. the shareholders, other than the bidder, its affiliates and persons acting jointly or in concert and certain other persons), have been tendered to the take-over bid and not withdrawn:
- iv. the Common Shares deposited pursuant to the bid may be withdrawn until taken up or paid for; and
- v. if the minimum deposit condition described in (iii) above has been satisfied, the bidder must make a public announcement of that fact and the take-over bid must remain open for deposits of Common Shares for an additional ten (10) business days from the date of such public announcement.

The Rights Plan allows for a competing Permitted Bid (a “**Competing Permitted Bid**”) to be made while a Permitted Bid is in existence. A Competing Permitted Bid must satisfy all of the requirements of a Permitted Bid except that no Common Shares will be taken up or paid for pursuant to the Competing Permitted Bid prior to the close of business on a date that is no earlier than the later of:

- (a) thirty-five (35) days after the date of the Competing Permitted Bid; and
- (b) the earliest date on which any other prior Permitted Bid that is then in existence was made.

Waiver

The Board, acting in good faith may, prior to the occurrence of a Flip-in Event, waive the application of the Rights Plan to a particular Flip-in Event (an “**Exempt Acquisition**”) where the take-over bid is made by a take-over bid circular to all holders of Common Shares. Where the Board exercises the waiver power for one take-over bid, the waiver will also apply to any other take-over bid for the Corporation made by a take-over bid circular to all holders of Common Shares prior to the expiry of any other bid for which the Rights Plan has been waived.

Redemption

The Board, with the approval of the majority of votes cast by shareholders and any applicable minority shareholder approval (or the holders of the Rights if the Separation Time has occurred) voting in person and by proxy, at a meeting duly called for that purpose, may redeem all of the then outstanding Rights at \$0.000001 per Right as adjusted by the terms of the Rights Plan. Rights shall be automatically redeemed following completion of a Permitted Bid, Competing Permitted Bid or Exempt Acquisition.

Protection Against Dilution

The Rights Plan contains detailed provisions regarding adjustments to the Exercise Price and the number and nature of the securities that may be purchased upon exercise of Rights outstanding to prevent dilution in the event of certain declarations of dividends, or consolidation of outstanding Common Shares, issuances of Common Shares (or other securities or rights) in respect of or in lieu of an exchange for existing Common Shares or other changes in the Common Shares.

Amendment

The Board may amend the Rights Plan with the approval of a majority of votes cast by shareholders (or the holders of the Rights if the Separation Time has occurred) voting in person and by proxy at a meeting duly called for that purpose. The Board, without such approval, may correct clerical or typographical errors and, subject to the subsequent approval as noted above at the next meeting of the shareholders (or holders of Rights, as the case may be), may make amendments to the Rights Plan to maintain its validity due to changes in applicable legislation.

Confirmation by Shareholders

To be effective, the resolution must be passed by a simple majority of the votes cast thereon by the shareholders present in person or by proxy at the Meeting, excluding any votes cast by any Grandfathered Person and any associate, affiliate and insider of a Grandfathered Person. To the knowledge of the Executive Officers of the Corporation, the Corporation has one Grandfathered Person, being Navjeet (Bob) N. Dhillon, President and Chief Executive Officer. Accordingly, the 3,815,700 Common Shares beneficially owned or controlled by Mr. Dhillon will be excluded from the shareholder approval vote on the renewal and amendment to the Rights Plan.

The text of the ordinary resolution to confirm the renewal and amendment to the Rights Plan and the rights distributed pursuant thereto is as follows:

“**BE IT RESOLVED** as an ordinary resolution that:

- (1) the shareholder rights plan, the terms and conditions of which are set out in the rights plan agreement dated February 21, 2013, as amended on February 12, 2016 and on February 21, 2019, between Mainstreet Equity Corp. (the “**Corporation**”) and Computershare Trust Company of Canada (the “**Rights Agreement**”), and the distribution and continued existence of the rights distributed pursuant to the Rights Agreement, as amended, as more particularly described in the Corporation’s information circular dated February 21, 2019 be and the same is hereby ratified, confirmed and approved;
- (2) any officer or director of the Corporation is hereby authorized and directed, for and on behalf of the Corporation to execute and deliver, under the corporate seal of the Corporation or otherwise, all such certificates, directions, notices, acknowledgements, receipts, documents, agreements and instruments and including, without limitation, execution of the Rights Agreement and to do or cause to be done all such other acts and things as such director or officer of the Corporation shall determine to be necessary or desirable in order to carry out the intent of this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents or instruments or the doing of any such act or thing; and
- (3) notwithstanding that these resolutions have been duly passed by the holders of the outstanding common shares of the Corporation, the directors of the Corporation are hereby authorized and empowered, if they decide not to proceed with any of the actions contemplated in the foregoing resolutions, to revoke these resolutions at any time prior to the proposed effective date for such action without further notice to, or approval of the holders of the common shares.”

The Toronto Stock Exchange, on which the Common Shares are listed for trading, has accepted notice from the Corporation of the renewal and amendment to the Rights Plan, all Rights thereunder Rights and the Common Shares made subject to issuance on the exercise of the Rights, subject to shareholder ratification of the renewal and amendment of the Rights Plan at the Meeting.

The persons named in the enclosed form of instrument of proxy, if named as proxy, intend to vote in favour of the resolution regarding the Rights Plan unless a shareholder has specified in his proxy that his shares are to be voted against such resolution.

A copy of the complete Rights Plan, as amended, has been filed with certain Canadian Securities Administrators and is available on SEDAR at www.sedar.com.

Recommendation of the Board

In renewing and amending the Rights Plan, the Board considered the appropriateness of renewing and amending the a shareholder rights plan and concluded, for the reasons discussed above, that it was in the best interests of the Corporation and favourable to maximizing shareholder value to renew and amend the Rights Plan. **Accordingly, the Board unanimously recommends that shareholders of the Corporation ratify, confirm and approve the renewal and amendment to the Rights Plan by voting in favour of the ordinary resolution confirming the Rights Plan and the rights distributed pursuant thereto.**

GENERAL

All matters to be brought before the Meeting require, for the passing of same, a simple majority of the votes cast at the Meeting by the holders of Common Shares. If a majority of the Common Shares represented at the Meeting should be voted against the appointment of PricewaterhouseCoopers, Chartered Accountants, as auditors of the Corporation, the Board will appoint another firm of chartered accountants based upon the recommendation of the audit committee, which appointment for any period subsequent to the 2019 annual and special general meeting of shareholders shall be subject to approval by the shareholders at the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is filed on SEDAR at www.sedar.com. Additional financial information is provided in the Corporation's comparative financial statements and Management's discussion and analysis for the financial year ended September 30, 2018 also filed on SEDAR.

REQUESTING CORPORATE INFORMATION

Shareholders interested in receiving any information relating to the Corporation such as the quarterly and annual reports, should contact Navjeet (Bob) Dhillon and/or his assistant Karen Engel at (403) 215-6070 respectively. Shareholders may also feel free to email the request to bdhillon@mainst.biz or kengel@mainst.biz. All information can also be found on our website at www.mainst.biz and on SEDAR at www.sedar.com.

SCHEDULE “A”

BOARD OF DIRECTORS AND COMMITTEES MANDATE

Stewardship of the Corporation

1. The Corporation’s board of directors (the “**Board**”) is responsible for the stewardship of the Corporation, supervising the management of the business and affairs of the Corporation and providing leadership to the Corporation by practicing responsible, sustainable and ethical decision making. The Board has the responsibility to act honestly and in good faith with a view to the best interests of the Corporation, exercise the care, diligence and skill that a reasonably prudent Board would exercise in comparable circumstances and direct management to ensure legal, regulatory and exchange requirements applicable to the Corporation have been met.

Board Composition

2. One half of the Board will, at all times, be independent directors as defined in the current laws applicable to the Corporation. To be considered for nomination and election to the Board, directors must demonstrate integrity and high ethical standards in their business dealings and in the discharge of their duties to and on behalf of the Corporation.

Board Meetings

3. The Board is responsible to meet in person, or in exceptional circumstances by telephone conference call, at least once each quarter and as often thereafter as required to discharge the duties of the Board and will hold meetings of the independent directors without management and non-independent directors present at every meeting of the Board.

Chairman of the Board

4. The Board may, in its discretion, select a member of the Board (and preferably an independent member of the Board) to serve as Chairman of the Board to provide leadership to the independent directors, manage the affairs of the Board and ensure that the Board functions effectively in fulfillment of its duties to the Corporation. If appointed, the Chairman of the Board shall endeavour to ensure that: meetings of the independent directors are held at each meeting of the Board, the Board has an appropriate opportunity to question executive officers, management, employees, external auditors, experts and advisors regarding any and all matters of importance to the Board and the Corporation, communicate with each Board member to endeavour to ensure that each director has the opportunity to be heard and participate in decision making, and assist in maintaining effective working relationships between the Board, auditors, experts, advisors, executive officers and management.

Chief Executive Officer

5. The Chief Executive Officer will be appointed, serve and be removed at the pleasure of the Board. The Chief Executive Officer will serve as the Corporation’s role model for responsible, ethical and effective decision making, provide the Corporation with executive, operational, strategic, financial and administrative leadership. The Chief Executive Officer will act as the principal spokesperson for the Corporation and oversee interactions between the Corporation, the public, investors, regulators and the media.

Supervision of Management

6. The Board is responsible to select and appoint the Chief Executive Officer, establish the Chief Executive Officer’s goals and objectives and evaluate the Chief Executive Officer’s performance. The Board shall be responsible for endeavouring to establish a succession plan for the replacement

of the Chief Executive Officer and executive management. The Board and every Committee of the Board shall have access to all books, records, facilities and personnel of the Corporation necessary for the discharge of its duties and has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Board in the discharge of its duties.

Governance

7. The Board is responsible to periodically review and either approve or require revisions to the corporate governance regime and documents currently adopted by the Corporation (the “**Governance Documents**”) and to take reasonable steps to satisfy itself that each of the directors and officers are performing their duties ethically, conducting business on behalf of the Corporation in accordance with the requirements and the spirit of the Governance Documents and fostering a culture of integrity throughout the Corporation. The Board is responsible for reviewing departures from the Governance Documents, providing or denying waivers and disclosing departures from the Governance Documents.

Disclosure and Communications

8. The Board is responsible for overseeing the Corporation’s public disclosure and communications practices.

Strategic Planning

9. The Board has the duty to adopt a strategic planning process for increasing shareholder value, annually approve a strategic plan, and regularly monitor the Corporation’s performance against its strategic plan. The Board is required to approve capital and operating budgets to implement the strategic plan, conduct periodic reviews of the Corporation’s resources, risks, and regulatory constraints and opportunities to facilitate the strategic plan and evaluate management’s analysis of the strategies of existing and potential competitors and their impact, if any, on the Corporation’s strategic plan.

Risk Management

10. The Board has the duty to adopt a process to identify business risks and ensure appropriate systems to manage risks and together with the Audit Committee, ensure policies and procedures are in place and are effective to maintain the integrity of the Corporation’s disclosure controls and procedures, internal controls over financial reporting, management information systems and auditing and accounting principles and practices.

Financial Management

11. The Board has the duty to review, and on the advice of the Audit Committee, approve, prior to their public dissemination interim and annual financial statements and notes thereto, managements’ discussion and analysis of financial condition and results of operations, relevant sections of the annual report, annual information form and management information circular containing financial information, forecasted financial information and forward looking statements and press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed. The Board has the duty to approve dividends and distributions, material financings, transactions affecting authorized capital or the issue and repurchase of shares and debt securities, and all material divestitures and acquisitions.

Committees of the Board

12. The Board may delegate any of its authority that it is permitted to delegate by law. The Board may establish such Committees of the Board as are required by applicable law and as are necessary to effectively discharge the duties of the Board, to appoint directors to serve as members of each Committee and to appoint a Chairman of each Committee to manage the affairs of each Committee and ensure that Committees functions effectively in fulfilling their duties to the Board and the Corporation. The Board is responsible to regularly receive and consider reports and recommendations of each Committee that it has established. The majority of the members of each Committee (other than the Executive Committee) will be independent as such term is defined in the current laws applicable to the Corporation, and ideally every member of a Committee of the Board will be independent.

Committee Meetings

13. Committees of the Board will meet as often as required to discharge their duties. The Chairman of each Committee, in consultation with the members, will determine the schedule, time and place of meetings. A quorum for a meeting of any Committee will be a majority of members present in person or by telephone conference call. Notice of the time and place of every meeting will be given in writing, by email or facsimile to each member of a Committee at least twenty four (24) hours prior to the time fixed for such meeting, provided that a member may in any manner waive a notice of meeting. Following each Committee Meeting, the Chairman of such Committee will report to the Board regarding its activities, findings and recommendations.

Chairmen of Committees

14. Except in the case of the Executive Committee, the Chairman of each Committee shall be an independent director who is appointed, serves and is removed at the pleasure of the Board. The Chairman of each Committee will serve as the Committee's role model for responsible, ethical and effective decision making, provide leadership and manage the affairs of the Committee which he chairs and lead his Committee to discharge the mandate and all duties given to his Committee by the Board. The Chairman of each Committee shall preside at all meetings of the Committee he chairs and ensure that following each meeting he reports to the Board regarding the Committee's activities, findings and recommendations.

Human Resources Committee

15. The Board may appoint a Human Resources or Compensation Committee for the purpose of assisting the Board in discharging the Board's duties with respect to corporate governance; the nomination, orientation and continuing education of Board members; the review of corporate goals and objectives applicable to and the annual evaluation of the results achieved by the Corporation, the Board and the Chief Executive Officer; and compensation of the Board, Chief Executive Officer and executive management and compensation plans proposed to be adopted by the Corporation.

Executive Committee

16. The Board may appoint an Executive Committee for the purpose of evaluating and pursuing business opportunities of a value in excess of the Chief Executive Officer's discretion to conclude; assist the Board in ensuring that all publicly disclosed information is timely, factual and accurate; ensure that the Corporation has appropriate disclosure controls and procedures; and ensure the Corporation abides by applicable disclosure standards.

SCHEDULE "B"
CHANGE OF AUDITOR PACKAGE

See attached.



**NOTICE OF CHANGE OF AUDITOR
(National Instrument 51-102)**

TO: Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission
Toronto Stock Exchange

AND TO: Deloitte LLP
PricewaterhouseCoopers

Mainstreet Equity Corp. (the “**Corporation**”) hereby gives notice pursuant to National Instrument 51-102 – *Continuous Disclosure Requirements* (“**NI 51-102**”) as follows:

1. Deloitte LLP (“**Deloitte**”) has resigned at the request of the Corporation as the Corporation’s auditor effective as of January 9th, 2019.
2. The resignation of Deloitte and the appointment of PricewaterhouseCoopers as the Corporation’s auditor have been considered and approved by the Corporation’s Audit Committee and Board of Directors.
3. Deloitte has not expressed any reservation or modified opinion on any of the Corporation’s financial statements since Deloitte was appointed auditor of the Corporation to the date of this notice.
4. In the opinion of the Corporation, throughout the period Deloitte was the Corporation’s auditor there have been no “reportable events” as defined in section 4.11(1) of NI 51-102.

DATED at Calgary, Alberta this 9th day of January, 2019.

Mainstreet Equity Corp.

Per: Signed: “Trina Cui”
Trina Cui
Chief Financial Officer

Mainstreet



Deloitte LLP
700, 850 2 Street SW
Calgary, AB T2P 0R8
Canada

Tel: 403-267-1700
Fax: 587-774-5379
www.deloitte.ca

January 9, 2019

To: British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission

Dear Sirs/Mesdames:

As required by subparagraph (5)(a)(ii) of section 4.11 of National Instrument 51-102, we have reviewed the change of auditor notice of Mainstreet Equity Corp. dated January 9, 2019 (the "Notice") and, based on our knowledge of such information at this time, we agree with the statements 1, 3 and 4 as it relates to us and we have no basis to agree with statement 2 contained in the Notice.

Yours very truly,

A handwritten signature in cursive script that reads "Deloitte LLP".

Chartered Professional Accountants



January 9, 2019

To: Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission

We have read the statements made by Mainstreet Equity Corp. in the attached copy of change of auditor notice dated January 9, 2019, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements concerning PricewaterhouseCoopers LLP in the change of auditor notice dated January 9, 2019.

Yours very truly,

PricewaterhouseCoopers LLP

Chartered Professional Accountants

PricewaterhouseCoopers LLP
Suncor Energy Centre, 111 5 Avenue SW, Suite 3100, East Tower, Calgary, Alberta, Canada T2P 5L3
T: 403 509 7500, F: 403 781 1825, www.pwc.com/ca

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.